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August 18, 2017

E-PORTAL/ELECTRONIC FILING

Ms. Carlotta Stauffer
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

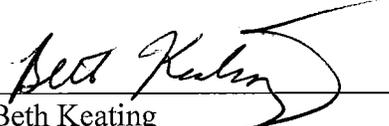
Re: Docket No. 20170004-GU – Natural Gas Conservation Cost Recovery Clause

Dear Ms. Stauffer:

Attached for electronic filing, please find the Direct Testimony and Exhibit DNBM-1 of Ms. Danielle Mulligan on behalf of Florida Public Utilities Company, Florida Public Utilities Company – Indiantown Division, Florida Public Utilities Company – Fort Meade, and the Florida Division of Chesapeake Utilities Corporation, along with the companies' Joint Petition for Approval of Conservation Cost Recovery Factors.

Thank you for your assistance with this filing. As always, please don't hesitate to let me know if you have any questions whatsoever:

Sincerely,



Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

MEK
cc: Parties of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural Gas Conservation Cost)
Recovery)
_____)

Docket No. 20170004-GU
Filed: August 18, 2017

**JOINT PETITION OF THE FLORIDA PUBLIC UTILITIES COMPANY, FLORIDA
PUBLIC UTILITIES COMPANY – INDIANTOWN DIVISION, FLORIDA PUBLIC
UTILITIES COMPANY – FORT MEADE AND FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION FOR APPROVAL OF
CONSERVATION COST RECOVERY FACTORS**

Florida Public Utilities Company, Consolidated Natural Gas Division (“FPU NG”), Florida Public Utilities Company – Indiantown Division (“Indiantown”), Florida Public Utilities Company – Fort Meade (“Fort Meade”), and Florida Division of Chesapeake Utilities Corporation (“Chesapeake”)(“herein, jointly referred to as “Consolidated Companies”), pursuant to Rule 25-17.015, Florida Administrative Code, hereby submit this Joint Petition to the Commission for approval of the Conservation Cost Recovery Adjustment factors listed herein to be applied to bills rendered for meter readings taken between January 1, 2018 and December 31, 2018. In support hereof, the Consolidated Companies states:

1. The names of the Consolidated Companies and the address of their principal business office is:

Florida Public Utilities Company/Florida Division of Chesapeake Utilities Corporation
1750 S 14th Street, Suite 200
Fernandina Beach FL 32034

2. The name and address of the persons authorized to receive notices and communications in respect to this docket is:

Beth Keating, Esq
Gunster, Yoakley & Stewart, P.A.
215 S. Monroe St., Suite 601
Tallahassee, FL 32301-1839
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bkeating@gunster.com

Mike Cassel, Director/Regulatory and
Governmental Affairs
Florida Public Utilities Company/Florida
Division of Chesapeake Utilities
Corporation
1750 S 14th Street, Suite 200
Fernandina Beach FL 32034
mcassel@fpuc.com

3. The Conservation Cost Recovery Adjustment factors were calculated in accordance with the methodology that has been previously approved by the Commission and reflect consolidated costs for the 2018 projection period. The factors are designed to recover the projected energy conservation program expenses of the Consolidated Companies for the period January 1, 2018 through December 31, 2018, adjusted for the net true-up (which includes the estimated energy conservation true-up for the period January 1, 2017 through December 31, 2017), as well as interest calculated in accordance with the methodology established by the Commission. The calculation of the factors and the supporting documentation is contained in the prepared testimony of the Consolidated Companies' witness, Ms. Danielle Mulligan and Exhibit DNBM-1.

4. The Consolidated Companies project total energy conservation program expenses of \$4,829,050 for the period January 2018 through December 2018. The projected net true-up is an over-recovery of \$947,806. After adding the projected energy conservation expenses to the amount of this over-recovery, a total of \$3,881,244 remains to be recovered during the period January 1, 2018 through December 31, 2018. Dividing this total among the Consolidated Companies' rate classes and then dividing this result by the projected gas throughput for the period by rate class, and expanding for taxes, results in the following Conservation Cost Recovery Adjustment factors for which the Consolidated Companies seek approval in this petition.

<u>Rate Class</u>	<u>Adjustment Factor</u> <u>(dollars per therm)</u>
RESIDENTIAL (FPU, Fort Meade)	\$ 0.07936
COMMERCIAL SMALL (FPU, Fort Meade)(Gen Srv GS1 & GS Transportation <600)	\$ 0.04732

COMMERCIAL SMALL (FPU, Fort Meade) (Gen Srv GS2 & GS Transportation >600)	\$	0.03684
COMM. LRG VOLUME (FPU, Fort Meade) (Large Vol & LV Transportation <,> 50,000 units)	\$	0.03047
Natural Gas Vehicles	\$	0.01496
TS1 (INDIANTOWN DIVISION)	\$	0.07721
TS2 (INDIANTOWN DIVISION)	\$	0.01142
TS3 (INDIANTOWN DIVISION)	\$	0.03049
TS4 (INDIANTOWN DIVISION) ¹	\$	0.0000
<u>CHESAPEAKE</u>		
FTS-A	\$	0.19641
FTS-B	\$	0.14849
FTS-1	\$	0.12980
FTS-2	\$	0.06840
FTS-2.1	\$	0.05000
FTS-3	\$	0.04353
FTS-3.1	\$	0.03237
FTS-4	\$	0.02735
FTS-5	\$	0.02384

¹ The Consolidated Companies note that the customers in this class are no longer on the system; therefore, the rate is appropriately reflected as \$0.

<u>Rate Class</u>		<u>Adjustment Factor (dollars per therm)</u>
FTS-6	\$	0.01960
FTS-7	\$	0.01384
FTS-8	\$	0.01225
FTS-9	\$	0.01031
FTS-10	\$	0.00947
FTS-11	\$	0.00780
FTS-12	\$	0.00667

The Consolidated Companies also seek approval of the following experimental per bill

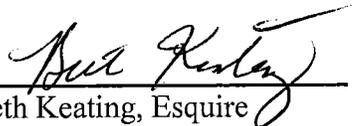
Conservation Cost Recovery Adjustment (Experimental) factors for Chesapeake:

Rate Class	ECCR Factor (\$ per bill)
FTS-A	\$1.20
FTS-B	\$1.57
FTS-1	\$1.98
FTS-2	\$4.00
FTS-2.1	\$5.71
FTS-3	\$14.15
FTS-3.1	\$19.50

WHEREFORE, Florida Public Utilities Company – Consolidated Natural Gas Division, Florida Public Utilities Company – Indiantown Division, Florida Public Utilities – Fort Meade, and the Florida Division of Chesapeake Utilities Corporation ask that the Commission approve

the above Conservation Cost Recovery Adjustment factors to be applied to bills rendered for meter readings taken between January 1, 2018 and December 31, 2018, inclusive.

RESPECTFULLY submitted this 18th day of August, 2017.


Beth Keating, Esquire
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

*Attorneys for Florida Public Utilities
Company, Florida Public Utilities
Company-Indiantown Division, Florida
Public Utilities Company-Fort Meade, and
the Florida Division of Chesapeake Utilities
Corporation*

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the Joint Petition of the Florida Public Utilities Companies and the Florida Division of Chesapeake Utilities Corporation, as well as the Direct Testimony and Exhibits of Ms. Danielle Mulligan, has been furnished by electronic mail to the following parties of record this 18th day of August, 2017:

<p>Florida Public Utilities Company/Florida Division of Chesapeake Utilities/Indiantow Mike Cassel 1750 S.W. 14th Street, Suite 200 Fernandina Beach, FL 32034 mcassel@fpuc.com</p>	<p>MacFarlane Ferguson Law Firm Ansley Watson, Jr. /Andrew Brown P.O. Box 1531 Tampa, FL 33601-1531 aw@macfar.com; AB@macfar.com</p>
<p>Messer Law Firm Paula Sparkman P.O Box 15579 Tallahassee, FL 32317 psparkman@lawfla.com</p>	<p>Office of Public Counsel J.R. Kelly/Charles Rehwinkel/Patricia Christensen c/o The Florida Legislature 111 West Madison Street Room 812 Tallahassee, FL 32399-1400 Kelly.JR@leg.state.fl.us Christensen.Patty@leg.state.fl.us Rehwinkel.Charles@leg.state.fl.us</p>
<p>Peoples Gas System Paula Brown Kandi Floyd P.O. Box 111 Tampa, FL 33601-0111 regdept@tecoenergy.com kfloyd@tecoenergy.com</p>	<p>St. Joe Natural Gas Company, Inc. Mr. Andy Shoaf P.O. Box 549 Port St. Joe, FL 32457-0549 Andy@stjoegas.com</p>
<p>Sebring Gas System, Inc. Jerry H. Melendy, Jr. 3515 U.S. Highway 27 South Sebring, FL 33870 jmelendy@floridasbestgas.com</p>	<p>Southern Company Gas Elizabeth Wade Ten Peachtree Place Location 1470 Atlanta, GA 30309 ewade@southernco.com</p>
<p>Florida City Gas Carolyn Bermudez 933 East 25th Street Hialeah, FL 33013-3498 cbermude@southernco.com</p>	<p>Kelley Corbari Stephanie Cuello Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399</p>

	kcorbari@psc.state.fl.us scuello@psc.state.fl.us
Southern Company Gas Blake O'Farrow Ten Peachtree Place Location 1686 Atlanta, GA 30309 bofarrow@southernco.com	Greg Munson, Esquire Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601 Tallahassee, FL 32301 gmunson@gunster.com



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(850) 521-1706

1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 DOCKET NO. 20170004-GU: NATURAL GAS

3 CONSERVATION COST RECOVERY

4 Direct Testimony of Danielle N.B. Mulligan

5 On Behalf of

6 The Florida Public Utilities Company Natural Gas Divisions and the Florida
7 Division of Chesapeake Utilities Corporation (“Consolidated Companies”)

8
9 **Q. Please state your name and business address.**

10 A. Danielle N. B. Mulligan. My business address is 450 S. Charles Richard Beall
11 Blvd, DeBary, Florida 32713.

12 **Q. By whom are you employed and in what capacity?**

13 A. I am employed by Florida Public Utilities Company (FPUC) as the Marketing
14 and Conservation Manager.

15 **Q. Can you please provide a brief overview of your educational and**
16 **employment background?**

17 A. I graduated from the University of Phoenix in 2003 with a Bachelor of Science
18 in Business Marketing. I have been employed by FPUC since 2010, initially
19 serving as an Energy Conservation Representative for three years before being
20 promoted to the position of Marketing Manager. On June 1, 2017, I was given
21 the additional responsibility of overseeing the Energy Conservation
22 department, which entails management of the Company’s natural gas
23 conservation programs to ensure compliance with all Florida Public Service
24 Commission (FPSC) rules as it pertains to Energy Conservation programs. I

1 am also involved in the preparation of various conservation program related
2 regulatory filings.

3 **Q. What is the purpose of your testimony at this time?**

4 A. To describe generally the expenditures made and projected to be made in
5 implementing, promoting, and operating the Company's energy conservation
6 programs. This will include recoverable costs incurred in January through
7 June 2017 and projections of program costs to be incurred July through
8 December 2017. It will also include projected conservation costs, for the
9 period January through December 2018, with a calculation of the Energy
10 Conservation Cost Recovery Adjustment and Energy Conservation Cost
11 Recovery Adjustment (Experimental) factors to be applied to the customers'
12 bills during the collection period of January 1, 2018 through December 31,
13 2018.

14 **Q. Are there any exhibits that you wish to sponsor in this proceeding?**

15 A. Yes. I am sponsoring the required Schedules C-1, C-2, C-3, and C-5, which
16 are included in my composite Exhibit No. DNBM-1 and attached to my
17 testimony.

18 **Q. Have there been any changes in the Conservation filing compared to the
19 prior year?**

20 A. As done in the 2017 projections, the Company has consolidated the natural
21 gas conservation programs and costs for the 2018 projection period. The
22 schedules were prepared this period using consolidated costs and revenues for
23 Florida Public Utilities Gas Division (FPUC), the Florida Division of
24 Chesapeake Utilities, the FPUC Ft. Meade Division, and the FPUC

1 Indiantown Division. The Company did not project any expenses for its
2 Conservation, Demonstration and Development program because it ends on
3 December 31, 2017.

4 **Q. Has the Company included descriptions and summary information on the**
5 **Conservation Programs currently approved and available to your**
6 **customers for Florida Public Utilities Company?**

7 A. Yes, the Company has included summaries of the approved conservation
8 programs currently available to our customers in all divisions on Schedule C-5
9 of Exhibit DNBM-1.

10 **Q. Has the Company prepared summaries of its Conservation Programs and**
11 **the Costs associated with these Programs?**

12 A. Yes, the Company has prepared the summaries of the Company's
13 Conservation Programs and costs associated with these programs in C-5 of
14 Exhibit DNBM-1.

15 **Q. What are the total projected costs for the period January 2018 through**
16 **December 2018 in the Florida Division of Chesapeake Utilities**
17 **Corporation?**

18 A. The total projected Consolidated Conservation Program Costs are \$4,829,050.
19 Please see Schedule C-2, page 2, for the programmatic and functional
20 breakdown of these total costs.

21 **Q. What is the true-up for the period January 2017 through December**
22 **2017?**

23 A. As reflected in the Schedule C-3, Page 4 of 5, the True-up amount for the
24 Consolidated Natural Gas Divisions is an over-recovery of \$947,806.

1 **Q. What are the resulting net total projected conservation costs to be**
2 **recovered during this projection period?**

3 A. The total costs to be recovered are \$3,881,244.

4 **Q. Has the Company prepared a schedule that shows the calculation of its**
5 **proposed Energy Conservation Cost Recovery Adjustment factors to be**
6 **applied during billing periods from January 1, 2018 through December**
7 **31, 2018?**

8 A. Yes. Schedule C-1 of Exhibit DNBM-1 shows these calculations. Net
9 program cost estimates for the period January 1, 2018 through December 31,
10 2018 are used. The estimated true-up amount from Schedule C-3, page 4 of 5,
11 of Exhibit DNBM-1, being an over-recovery, was added to the total of the
12 projected costs for the 12-month period. The total amount was then divided
13 among the Company's rate classes, excluding customers who are on market-
14 based rates that fall under Special Contract Services (Original Sheet No. 19
15 for the Florida Division of Chesapeake Utilities) and tariff rate class FTS-13
16 for the same division, based on total projected contribution. In addition, the
17 customer classes for Outdoor Lights, Interruptible and Interruptible
18 Transportation have always been exempt from the Conservation Adjustment
19 Factor due to the distinctive service provided by the Company.

20 The results were then divided by the projected gas throughput for each rate
21 class for the 12-month period ending December 31, 2018. The resulting
22 Energy Conservation Cost Recovery Adjustment factors are shown on
23 Schedule C-1 of Exhibit DNBM-1. I note that the customers in the
24 Indiantown Division's TS4 rate class are no longer on the system; therefore,

1 the factor has been set at zero for that class.

2 **Q. Why has the Company excluded market-based rate customers from the**
3 **Energy Conservation Cost Recovery Adjustment factors?**

4 A. These customers are served either under the Special Contract Service or
5 Flexible Gas Service, because they have alternative fuel or physical bypass
6 options and are considered by Chesapeake to be “market-based rate”
7 customers. Each of these customers has viable alternatives for service;
8 therefore the negotiated and Commission-approved (in the case of Special
9 Contract Service) rates reflect the fact that only a certain level of revenues can
10 be charged to these customers. In fact, the Company has always excluded the
11 Special Contract Service and tariff rate class FTS-13 customers from the
12 ECCR recovery factors, consistent with its general rate proceedings and
13 consistent with the Applicability section of the tariff sheet for the ECCR
14 factors (Seventh Revised Sheet No. 98). The Commission has not taken issue
15 with the Company’s expressed application of the factors either in the ECCR
16 Clause proceedings or in the context of any Special Contract approval.

17 **Q. Has the Company prepared a schedule that shows the calculation of the**
18 **Florida Division of Chesapeake Utilities proposed Energy Conservation**
19 **Cost Recovery Adjustment (Experimental) factors for certain rate classes**
20 **on an experimental basis to be applied during billing periods from**
21 **January 1, 2017 through December 31, 2017?**

22 A. Yes, experimental per bill rates were approved for rate classes FTS-A, FTS-B,
23 FTS-1, FTS-2, FTS-2.1, FTS-3 and FTS-3.1. A similar calculation was made
24 as described above for the experimental rates; however, the projected number

1 of bills for each rate class for the 12-month period ending December 31, 2017
2 was utilized. The resulting Energy Conservation Cost Recovery Adjustment
3 (Experimental) factors are shown on Schedule C-1, page 3 of 3 of Exhibit
4 DNBM-1.

5 **Q. Does this conclude your testimony?**

6 A. Yes.

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS
(FPU, CFG, INDIANTOWN, AND FT. MEADE)
ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION
JANUARY 2018 THROUGH DECEMBER 2018

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	\$ 4,829,050
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11)	\$ (947,806)
3. TOTAL (LINE 1 AND LINE 2)	\$ 3,881,244

RATE SCHEDULE	BILLS	THERMS	CUSTOMER CHARGE	NON-GAS ENERGY CHARGE	TOTAL CUST. & ENGY CHG REVENUE	ECCR REVENUES	ECCR AS % OF TOTAL REVENUES	DOLLARS PER THERM	TAX FACTOR	CONSERV FACTOR
RESIDENTIAL (FPU, Fort Meade)	657,810	13,306,599	7,271,223	6,634,552	13,905,775	1,050,730	7.55607%	\$ 0.07896	1.00503	\$ 0.07936
COMMERCIAL SMALL (FPU, Fort Meade) (Gen Srv GS1 & GS Transportation <600)	15,614	1,836,712	396,923	747,534	1,144,457	86,476	7.55607%	\$ 0.04708	1.00503	\$ 0.04732
COMMERCIAL SMALL (FPU & Fort Meade) (Gen Srv GS2 & GS Transportation >600)	35,642	11,523,387	1,097,448	4,493,145	5,590,593	422,429	7.55607%	\$ 0.03666	1.00503	\$ 0.03684
COMM. LRG VOLUME (FPU, Fort Meade) (Large Vol & LV Transportation <,> 50,000 units)	22,849	43,281,725	2,056,410	15,307,015	17,363,425	1,311,993	7.55607%	\$ 0.03031	1.00503	\$ 0.03047
NATURAL GAS VEHICLES	36	138,915	3,600	23,770	27,370	2,068	7.55607%	\$ 0.01489	1.00503	\$ 0.01496
TS1 (INDIANTOWN DIVISION)	8,082	113,944	72,738	43,111	115,849	8,754	7.55607%	\$ 0.07682	1.00503	\$ 0.07721
TS2 (INDIANTOWN DIVISION)	292	78,735	7,300	4,537	11,837	894	7.55607%	\$ 0.01136	1.00503	\$ 0.01142
TS3 (INDIANTOWN DIVISION)	12	2,036	720	97	817	62	7.55607%	\$ 0.03034	1.00503	\$ 0.03049
TS4 (INDIANTOWN DIVISION)	12	0	24,000	0	24,000	1,813	7.55607%	\$ 0.00000	1.00503	\$ 0.00000
CHESAPEAKE (PAGE 2)	210,247	48,635,935	6,965,942	6,215,823	13,181,764	996,024	SEE PAGE 2 AND 3			
TOTAL	950,596	118,917,988	17,896,304	33,469,584	51,365,887	3,881,244				

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS
(FPU, CFG, INDIANTOWN, AND FT. MEADE)
ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION
JANUARY 2018 THROUGH DECEMBER 2018
CHESAPEAKE NON EXPIRIMENTAL

EXHIBIT NO. _____
DOCKET NO. 20170004-GU
FLORIDA PUBLIC UTILITIES COMPANY
DNBM-1
PAGE 2 OF 26

RATE CLASS	BILLS	THERMS	CUSTOMER CHARGE REVENUES	ENERGY CHARGE	TOTAL	ESTIMATED ECCR	% SURCHARGE	CENTS PER THERM	EXPANSION FACTOR	ECCR ADJUSTMENT FACTORS
FTS-A	15,542	95,178	\$202,046	\$44,123	\$246,169	18,601	7.55607%	\$ 0.19543	1.00503	\$ 0.19641
FTS-B	27,931	296,034	\$432,931	\$145,903	\$578,834	43,737	7.55607%	\$ 0.14774	1.00503	\$ 0.14849
FTS-1	137,039	2,089,574	\$2,603,741	\$967,682	\$3,571,423	269,859	7.55607%	\$ 0.12915	1.00503	\$ 0.12980
FTS-2	9,870	577,478	\$335,580	\$184,562	\$520,142	39,302	7.55607%	\$ 0.06806	1.00503	\$ 0.06840
FTS-2.1	8,662	989,717	\$346,480	\$305,100	\$651,580	49,234	7.55607%	\$ 0.04975	1.00503	\$ 0.05000
FTS-3	3,379	1,098,582	\$364,932	\$264,780	\$629,712	47,582	7.55607%	\$ 0.04331	1.00503	\$ 0.04353
FTS-3.1	4,033	2,430,303	\$540,422	\$495,369	\$1,035,791	78,265	7.55607%	\$ 0.03220	1.00503	\$ 0.03237
FTS-4	2,375	2,914,525	\$498,750	\$550,845	\$1,049,595	79,308	7.55607%	\$ 0.02721	1.00503	\$ 0.02735
FTS-5	447	1,146,649	\$169,860	\$190,114	\$359,974	27,200	7.55607%	\$ 0.02372	1.00503	\$ 0.02384
FTS-6	272	1,528,791	\$163,200	\$231,413	\$394,613	29,817	7.55607%	\$ 0.01950	1.00503	\$ 0.01960
FTS-7	282	3,333,200	\$197,400	\$409,984	\$607,384	45,894	7.55607%	\$ 0.01377	1.00503	\$ 0.01384
FTS-8	213	5,002,772	\$255,600	\$551,506	\$807,106	60,985	7.55607%	\$ 0.01219	1.00503	\$ 0.01225
FTS-9	106	4,771,151	\$212,000	\$435,749	\$647,749	48,944	7.55607%	\$ 0.01026	1.00503	\$ 0.01031
FTS-10	24	1,736,091	\$72,000	\$144,408	\$216,408	16,352	7.55607%	\$ 0.00942	1.00503	\$ 0.00947
FTS-11	22	3,672,350	\$121,000	\$256,220	\$377,220	28,503	7.55607%	\$ 0.00776	1.00503	\$ 0.00780
FTS-12	50	16,953,540	\$450,000	\$1,038,065	\$1,488,065	112,439	7.55607%	\$ 0.00663	1.00503	\$ 0.00667
TOTAL	210,247	48,635,935	6,965,942	6,215,823	13,181,764	996,024	7.55607%			

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS
(FPU, CFG, INDIANTOWN, AND FT. MEADE)
ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION
JANUARY 2018 THROUGH DECEMBER 2018
CHESAPEAKE PER BILL BASIS - Experimental

EXHIBIT NO. _____
DOCKET NO. 20170004-GU
FLORIDA PUBLIC UTILITIES COMPANY
DNBM-1
PAGE 3 OF 26

RATE CLASS	BILLS	THERMS	CUSTOMER CHARGE REVENUES	ENERGY CHARGE	TOTAL	ESTIMATED ECCR	% SURCHARGE	\$ PER BILL	EXPANSION FACTOR	ECCR ADJUSTMENT FACTORS
FTS-A	15,542	95,178	\$202,046	\$44,123	\$246,169	\$18,601	7.5561%	\$1.1968	1.00503	\$1.20
FTS-B	27,931	296,034	\$432,931	\$145,903	\$578,834	\$43,737	7.5561%	\$1.5659	1.00503	\$1.57
FTS-1	137,039	2,089,574	\$2,603,741	\$967,682	\$3,571,423	\$269,859	7.5561%	\$1.9692	1.00503	\$1.98
FTS-2	9,870	577,478	\$335,580	\$184,562	\$520,142	\$39,302	7.5561%	\$3.9820	1.00503	\$4.00
FTS-2.1	8,662	989,717	\$346,480	\$305,100	\$651,580	\$49,234	7.5561%	\$5.6839	1.00503	\$5.71
FTS-3	3,379	1,098,582	\$364,932	\$264,780	\$629,712	\$47,582	7.5561%	\$14.0815	1.00503	\$14.15
FTS-3.1	4,033	2,430,303	\$540,422	\$495,369	\$1,035,791	\$78,265	7.5561%	\$19.4062	1.00503	\$19.50
FTS-4	2,375	2,914,525	\$498,750	\$550,845	\$1,049,595	\$79,308				
FTS-5	447	1,146,649	\$169,860	\$190,114	\$359,974	\$27,200				
FTS-6	272	1,528,791	\$163,200	\$231,413	\$394,613	\$29,817				
FTS-7	282	3,333,200	\$197,400	\$409,984	\$607,384	\$45,894				
FTS-8	213	5,002,772	\$255,600	\$551,506	\$807,106	\$60,985				
FTS-9	106	4,771,151	\$212,000	\$435,749	\$647,749	\$48,944				
FTS-10	24	1,736,091	\$72,000	\$144,408	\$216,408	\$16,352				
FTS-11	22	3,672,350	\$121,000	\$256,220	\$377,220	\$28,503				
FTS-12	50	16,953,540	\$450,000	\$1,038,065	\$1,488,065	\$112,439				
TOTAL	210,247	48,635,935	\$6,965,942	\$6,215,823	\$13,181,764	\$996,024	7.55607%			

FLORIDA PUBLIC UTILITIES COMPANY
 CONSOLIDATED NATURAL GAS DIVISION (FPU, CFG, INDIANTOWN & FT. MEADE)
 ESTIMATED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH
 JANUARY 2018 THROUGH DECEMBER 2018

PROGRAM	JAN 2018	FEB 2018	MAR 2018	APR 2018	MAY 2018	JUN 2018	JUL 2018	AUG 2018	SEP 2018	OCT 2018	NOV 2018	DEC 2018	TOTAL
1 Full House Residential New Construction	71,133	71,133	71,133	71,133	71,133	71,133	71,133	71,133	71,133	71,133	71,133	71,133	853,600
2 Resid. Appliance Replacement	49,350	49,350	49,350	49,350	49,350	49,350	49,350	49,350	49,350	49,350	49,350	49,350	592,200
3 Conservation Education	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
4 Space Conditioning	504	504	504	504	504	504	504	504	504	504	504	504	6,050
5 Residential Conservation Survey	2,571	2,571	2,571	2,571	2,571	2,571	2,571	2,571	2,571	2,571	2,571	2,571	30,850
6 Residential Appliance Retention	82,875	82,875	82,875	82,875	82,875	82,875	82,875	82,875	82,875	82,875	82,875	82,875	994,500
7 Commercial Conservation Survey	383	383	383	383	383	383	383	383	383	383	383	383	4,600
8 Residential Service Reactivation	4,617	4,617	4,617	4,617	4,617	4,617	4,617	4,617	4,617	4,617	4,617	4,617	55,400
9 Common	67,583	67,583	67,583	67,583	67,583	67,583	67,583	67,583	67,583	67,583	67,583	67,583	811,000
10 Conserv. Demonstration and Development	0	0	0	0	0	0	0	0	0	0	0	0	0
11 Commercial Small Food Service Program	47,108	47,108	47,108	47,108	47,108	47,108	47,108	47,108	47,108	47,108	47,108	47,108	565,300
12 Commercial Large Non-Food Service Program	13,058	13,058	13,058	13,058	13,058	13,058	13,058	13,058	13,058	13,058	13,058	13,058	156,700
13 Commercial Large Food Service Program	11,238	11,238	11,238	11,238	11,238	11,238	11,238	11,238	11,238	11,238	11,238	11,238	134,850
14 Commercial Large Hospitality Program	29,096	29,096	29,096	29,096	29,096	29,096	29,096	29,096	29,096	29,096	29,096	29,096	349,150
15 Commercial Large Cleaning Service Program	12,904	12,904	12,904	12,904	12,904	12,904	12,904	12,904	12,904	12,904	12,904	12,904	154,850
16 Residential Propane Distribution Program	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	402,421	402,421	402,421	402,421	402,421	402,421	402,421	402,421	402,421	402,421	402,421	402,421	4,829,050

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS (FPU,CFG, INDIANTOWN, & FT. MEADE)
ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2018 THROUGH DECEMBER 2018

PROGRAM	CAPITAL INVEST	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISE	INCENTIVES	OUTSIDE SERVICES	LEGAL	TRAVEL	VEHICLE	OTHER	TOTAL
1 Full House Residential New Construction	0	115,000	1,000	105,000	610,000	5,000	0	7,000	1,600	9,000	853,600
2 Resid. Appliance Replacement	0	80,000	600	205,000	265,000	35,000	0	5,000	1,000	600	592,200
3 Conservation Education	0	40,000	1,000	50,000	0	20,000	0	6,500	2,500	0	120,000
4 Space Conditioning	0	500	100	4,000	1,200	0	0	150	100	0	6,050
5 Residential Conservation Survey	0	7,500	250	1,000	0	5,000	0	1,600	500	15,000	30,850
6 Residential Appliance Retention	0	100,000	1,000	150,000	700,000	35,000	0	6,000	1,500	1,000	994,500
7 Commercial Conservation Survey	0	3,500	100	100	0	0	0	600	200	100	4,600
8 Residential Service Reactivation	0	1,000	100	50,000	1,500	2,500	0	100	100	100	55,400
9 Common	0	600,000	20,000	30,000	0	35,000	6,000	100,000	20,000	0	811,000
10 Conserv. Demonstration and Development	0	0	0	0	0	0	0	0	0	0	0
11 Commercial Small Food Service Program	0	110,000	800	18,000	415,000	5,000	0	7,000	1,000	8,500	565,300
12 Commercial Large Non-Food Service Program	0	65,000	100	18,000	60,000	5,000	0	500	100	8,000	156,700
13 Commercial Large Food Service Program	0	22,000	150	18,000	80,000	5,000	0	1,500	200	8,000	134,850
14 Commercial Large Hospitality Program	0	40,000	300	18,000	275,000	5,000	0	2,500	350	8,000	349,150
15 Commercial Large Cleaning Service Program	0	22,000	150	18,000	100,000	5,000	0	1,500	200	8,000	154,850
16 Residential Propane Distribution Program	0	0	0	0	0	0	0	0	0	0	0
PROGRAM COSTS	0	1,206,500	25,650	685,100	2,507,700	162,500	6,000	139,950	29,350	66,300	4,829,050

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS (FPU, CFG, INDIANTOWN, FT. MEADE)
ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
ACTUAL JANUARY 2017 THROUGH JUNE 2017; ESTIMATED JULY 2017 THROUGH DECEMBER 2017

PROGRAM	CAPITAL INVEST	PAYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	LEGAL	TRAVEL	TOTAL
1 Full House Residential New Construction											
A. ACTUAL (JAN-JUN)	0	49,360	748	44,440	287,669	1,688	1,191	752	0	5,728	391,577
B. ESTIMATED (JUL-DEC)	0	30,000	625	30,000	500,000	5,000	5,000	2,000	0	0	572,625
C. TOTAL	0	79,360	1,373	74,440	787,669	6,688	6,191	2,752	0	5,728	964,202
2 Resid. Appliance Replacement											
A. ACTUAL (JAN-JUN)	0	30,864	446	74,993	129,369	0	604	484	0	3,677	240,437
B. ESTIMATED (JUL-DEC)	0	17,500	375	187,500	200,000	1,250	1,250	0	0	0	407,875
C. TOTAL	0	48,364	821	262,493	329,369	1,250	1,854	484	0	3,677	648,312
3 Conservation Education											
A. ACTUAL (JAN-JUN)	0	17,695	385	25,285	0	783	782	145	0	2,713	47,788
B. ESTIMATED (JUL-DEC)	0	10,000	750	37,500	0	2,500	2,500	0	0	0	53,250
C. TOTAL	0	27,695	1,135	62,785	0	3,283	3,282	145	0	2,713	101,038
4 Space Conditioning											
A. ACTUAL (JAN-JUN)	0	412	16	0	0	0	15	7	0	103	553
B. ESTIMATED (JUL-DEC)	0	0	0	1,250	1,250	0	0	0	0	0	2,500
C. TOTAL	0	412	16	1,250	1,250	0	15	7	0	103	3,053
5 Residential Conservation Survey											
A. ACTUAL (JAN-JUN)	0	4,052	106	502	0	923	167	45	0	626	6,421
B. ESTIMATED (JUL-DEC)	0	2,500	250	2,500	0	2,500	500	0	0	0	8,250
C. TOTAL	0	6,552	356	3,002	0	3,423	667	45	0	626	14,671
6 Residential Appliance Retention											
A. ACTUAL (JAN-JUN)	0	43,175	593	75,890	359,822	2	868	674	0	4,959	485,984
B. ESTIMATED (JUL-DEC)	0	17,500	375	162,500	287,500	1,250	1,250	0	0	0	470,375
C. TOTAL	0	60,675	968	238,390	647,322	1,252	2,118	674	0	4,959	956,359
7 Commercial Conservation Survey											
A. ACTUAL (JAN-JUN)	0	(49,007)	53	11	0	0	67	28	0	390	(48,457)
B. ESTIMATED (JUL-DEC)	0	1,250	250	500	0	2,500	500	0	0	0	5,000
C. TOTAL	0	(47,757)	303	511	0	2,500	567	28	0	390	(43,457)
SUB-TOTAL	0	175,302	4,972	642,871	1,765,611	18,396	14,694	4,135	0	18,197	2,644,178

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS (FPU, CFG, INDIANTOWN, FT. MEADE)
ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
ACTUAL JANUARY 2017 THROUGH JUNE 2017; ESTIMATED JULY 2017 THROUGH DECEMBER 2017

PROGRAM NAME	CAPITAL INVEST	PAYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	LEGAL	TRAVEL	TOTAL
SUB-TOTAL - PREVIOUS PAGE	0	175,302	4,972	642,871	1,765,611	18,396	14,694	4,135	0	18,197	2,644,178
7a Residential Propane Distribution Program											
A. ACTUAL (JAN-JUN)	0	0	0	0	0	0	0	0	0	0	0
B. ESTIMATED (JUL-DEC)	0	0	0	0	10,000	0	0	0	0	0	10,000
C. TOTAL	0	0	0	0	10,000	0	0	0	0	0	10,000
8 Residential Service Reactivation											
A. ACTUAL (JAN-JUN)	0	547	7	0	700	0	9	9	0	60	1,332
B. ESTIMATED (JUL-DEC)	0	1,250	0	1,250	2,500	0	250	0	0	0	5,250
C. TOTAL	0	1,797	7	1,250	3,200	0	259	9	0	60	6,582
9 Common											
A. ACTUAL (JAN-JUN)	0	342,766	9,155	2,661	0	6,658	6,199	32,999	498	36,682	437,619
B. ESTIMATED (JUL-DEC)	0	350,000	3,750	10,000	0	30,000	50,000	3,000	0	0	446,750
C. TOTAL	0	692,766	12,905	12,661	0	36,658	56,199	35,999	498	36,682	884,369
10 Conserv. Demonstration and Development											
A. ACTUAL (JAN-JUN)	0	1,020	21	0	0	1,667	65	0	0	163	2,937
B. ESTIMATED (JUL-DEC)	0	0	0	0	0	25,000	0	0	0	0	25,000
C. TOTAL	0	1,020	21	0	0	26,667	65	0	0	163	27,937
11 Commercial Small Food Service Program											
A. ACTUAL (JAN-JUN)	0	54,661	703	7,071	258,076	1,459	874	925	0	6,033	329,799
B. ESTIMATED (JUL-DEC)	0	25,000	500	7,500	500,000	2,000	5,000	2,000	0	0	542,000
C. TOTAL	0	79,661	1,203	14,571	758,076	3,459	5,874	2,925	0	6,033	871,799
12 Commercial Large Non-Food Service Program											
A. ACTUAL (JAN-JUN)	0	3,280	42	7,071	38,439	1,137	52	55	0	362	50,438
B. ESTIMATED (JUL-DEC)	0	6,250	125	7,500	37,500	2,000	1,250	2,000	0	0	56,625
C. TOTAL	0	9,530	167	14,571	75,939	3,137	1,302	2,055	0	362	107,063
13 Commercial Large Food Service Program											
A. ACTUAL (JAN-JUN)	0	10,932	141	7,071	31,174	1,137	175	185	0	1,207	52,020
B. ESTIMATED (JUL-DEC)	0	6,250	125	7,500	75,000	2,000	1,250	2,000	0	0	94,125
C. TOTAL	0	17,182	266	14,571	106,174	3,137	1,425	2,185	0	1,207	146,145
14 Commercial Large Hospitality Program											
A. ACTUAL (JAN-JUL)	0	19,678	253	7,071	149,324	1,137	314	333	0	2,172	180,281
B. ESTIMATED (AUG-DEC)	0	6,250	125	7,500	50,000	2,000	1,250	2,000	0	0	69,125
C. TOTAL	0	25,928	378	14,571	199,324	3,137	1,564	2,333	0	2,172	249,406
15 Commercial Large Cleaning Service Program											
A. ACTUAL (JAN-JUL)	0	10,932	141	7,071	45,872	1,459	175	185	0	1,207	67,040
B. ESTIMATED (AUG-DEC)	0	6,250	125	7,500	37,500	2,000	1,250	2,000	0	0	56,625
C. TOTAL	0	17,182	266	14,571	83,372	3,459	1,425	2,185	0	1,207	123,665
TOTAL	0	1,020,367	20,184	729,635	3,001,695	98,049	82,807	51,826	498	66,082	5,071,144

FLORIDA PUBLIC UTILITIES COMPANY
 CONSOLIDATED NATURAL GAS (FPU, CFG, INDIANTOWN, FT. MEADE)
 CONSERVATION PROGRAM COSTS BY PROGRAM
 ACTUAL/ESTIMATED
 ACTUAL JANUARY 2017 THROUGH JUNE 2017; ESTIMATED JULY 2017 THROUGH DECEMBER 2017

PROGRAM NAME	-----ACTUAL-----			-----ACTUAL-----			-----ACTUAL-----			-----ACTUAL-----			---PROJECTION-----			TOTAL
	JAN 2017	FEB 2017	MAR 2017	APR 2017	MAY 2017	JUN 2017	JUL 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	---PROJECTION---			
Full House Residential New Construction	32,719	148,282	64,927	51,711	45,702	48,236	95,438	95,438	95,438	95,438	95,438	95,438	95,438	95,438	95,438	964,202
Resid. Appliance Replacement	44,272	41,627	57,887	25,988	30,542	40,120	67,979	67,979	67,979	67,979	67,979	67,979	67,979	67,979	67,979	648,312
Conservation Education	7,324	8,020	12,782	4,118	8,207	7,339	8,875	8,875	8,875	8,875	8,875	8,875	8,875	8,875	8,875	101,038
Space Conditioning	0	0	553	0	0	0	417	417	417	417	417	417	417	417	417	3,053
Residential Conservation Survey	1,342	715	1,448	1,154	446	1,317	1,375	1,375	1,375	1,375	1,375	1,375	1,375	1,375	1,375	14,671
Residential Appliance Retention	67,594	98,754	115,146	55,777	73,891	74,821	78,396	78,396	78,396	78,396	78,396	78,396	78,396	78,396	78,396	956,359
Commercial Conservation Survey	608	615	(49,947)	0	11	256	833	833	833	833	833	833	833	833	833	(43,457)
Residential Service Reactivation	147	454	100	112	97	421	875	875	875	875	875	875	875	875	875	6,582
Common	44,632	66,252	123,187	67,876	76,006	59,666	74,458	74,458	74,458	74,458	74,458	74,458	74,458	74,458	74,458	884,369
Conserv. Demonstration and Development	0	0	0	1,270	0	1,667	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	27,937
Commercial Small Food Service Program	24,963	76,355	46,962	50,833	103,750	26,936	90,333	90,333	90,333	90,333	90,333	90,333	90,333	90,333	90,333	871,799
Commercial Large Non-Food Service Program	9,651	8,300	6,013	3,884	8,110	14,480	9,438	9,438	9,438	9,438	9,438	9,438	9,438	9,438	9,438	107,063
Commercial Large Food Service Program	4,652	6,211	7,186	8,775	11,951	13,245	15,688	15,688	15,688	15,688	15,688	15,688	15,688	15,688	15,688	146,145
Commercial Large Hospitality Program	7,011	129,441	5,630	27,331	6,310	4,558	11,521	11,521	11,521	11,521	11,521	11,521	11,521	11,521	11,521	249,406
Commercial Large Cleaning Service Program	6,422	5,159	31,875	8,038	13,108	2,438	9,438	9,438	9,438	9,438	9,438	9,438	9,438	9,438	9,438	123,665
Residential Propane Distribution Program	0	0	0	0	0	0	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	10,000
TOTAL ALL PROGRAMS	251,337	590,185	423,751	306,867	378,132	295,498	470,896	470,896	470,896	470,896	470,896	470,896	470,896	470,896	470,896	5,071,144

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS (FPU, CFG, INDIANTOWN, FT. MEADE)
ENERGY CONSERVATION ADJUSTMENT
ACTUAL JANUARY 2017 THROUGH JUNE 2017; ESTIMATED JULY 2017 THROUGH DECEMBER 2017

	----- ACTUAL -----						-PROJECTION -						TOTAL
	JAN 2017	FEB 2017	MAR 2017	APR 2017	MAY 2017	JUN 2017	JUL 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	
CONSERVATION REVS.													
RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
a. OTHER PROG. REV.	0	0	0	0	0	0	0	0	0	0	0	0	0
b.	0	0	0	0	0	0	0	0	0	0	0	0	0
c.	0	0	0	0	0	0	0	0	0	0	0	0	0
CONSERV. ADJ REV. (NET OF REV. TAXES)	(695,607)	(642,424)	(646,092)	(575,647)	(468,340)	(448,594)	(546,905)	(546,905)	(546,905)	(546,905)	(546,905)	(546,905)	(6,758,131)
TOTAL REVENUES	(695,607)	(642,424)	(646,092)	(575,647)	(468,340)	(448,594)	(546,905)	(546,905)	(546,905)	(546,905)	(546,905)	(546,905)	(6,758,131)
PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	61,875	61,875	61,875	61,875	61,875	61,875	61,875	61,875	61,875	61,875	61,875	61,875	742,499
CONSERVATION REVS. APPLIC. TO PERIOD	(633,732)	(580,549)	(584,217)	(513,772)	(406,465)	(386,719)	(485,030)	(485,030)	(485,030)	(485,030)	(485,030)	(485,030)	(6,015,632)
CONSERVATION EXPS. (FORM C-3, PAGE 3)	251,337	590,185	423,751	306,867	378,132	295,498	470,896	470,896	470,896	470,896	470,896	470,896	5,071,144
TRUE-UP THIS PERIOD	(382,395)	9,636	(160,467)	(206,905)	(28,333)	(91,221)	(14,134)	(14,134)	(14,134)	(14,134)	(14,134)	(14,134)	(944,488)
INTEREST THIS PERIOD (C-3, PAGE 5)	271	142	81	(75)	(205)	(302)	(395)	(452)	(510)	(567)	(624)	(682)	(3,318)
TRUE-UP & INT. BEG. OF MONTH	742,499	298,500	246,403	24,142	(244,713)	(335,126)	(488,524)	(564,928)	(641,389)	(717,907)	(794,483)	(871,116)	742,499
PRIOR TRUE-UP COLLECT./REFUND.)	(61,875)	(61,875)	(61,875)	(61,875)	(61,875)	(61,875)	(61,875)	(61,875)	(61,875)	(61,875)	(61,875)	(61,875)	(742,499)
Audit Adj. - Prior period													0
END OF PERIOD TOTAL NET TRUE-UP	298,500	246,403	24,142	(244,713)	(335,126)	(488,524)	(564,928)	(641,389)	(717,907)	(794,483)	(871,116)	(947,806)	(947,806)

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS (FPU, CFG, INDIANTOWN, FT. MEADE)
CALCULATION OF TRUE-UP AND INTEREST PROVISION
ACTUAL JANUARY 2017 THROUGH JUNE 2017; ESTIMATED JULY 2017 THROUGH DECEMBER 2017

	-----ACTUAL-----		-----ACTUAL-----		-----ACTUAL-----		---PROJECTION---		---PROJECTION---		---PROJECTION---		TOTAL
	JAN 2017	FEB 2017	MAR 2017	APR 2017	MAY 2017	JUN 2017	JUL 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	
INTEREST PROVISION													
BEGINNING TRUE-UP	742,499	298,500	246,403	24,142	(244,713)	(335,126)	(488,524)	(564,928)	(641,389)	(717,907)	(794,483)	(871,116)	
END. T-UP BEFORE INT.	298,229	246,261	24,061	(244,638)	(334,921)	(488,222)	(564,533)	(640,937)	(717,397)	(793,916)	(870,492)	(947,124)	
TOT. BEG. & END. T-UP	1,040,728	544,760	270,464	(220,496)	(579,634)	(823,349)	(1,053,058)	(1,205,865)	(1,358,786)	(1,511,824)	(1,664,975)	(1,818,240)	
AVERAGE TRUE-UP	520,364	272,380	135,232	(110,248)	(289,817)	(411,674)	(526,529)	(602,932)	(679,393)	(755,912)	(832,487)	(909,120)	
INT. RATE-FIRST DAY OF REPORTING BUS. MTH	0.63%	0.62%	0.63%	0.80%	0.84%	0.86%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	
INT. RATE-FIRST DAY OF SUBSEQUENT BUS. MTH	0.62%	0.63%	0.80%	0.84%	0.86%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	
TOTAL	1.25%	1.25%	1.43%	1.64%	1.70%	1.76%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	
AVG INTEREST RATE	0.63%	0.63%	0.72%	0.82%	0.85%	0.88%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	
MONTHLY AVG. RATE	0.05%	0.05%	0.06%	0.07%	0.07%	0.07%	0.08%	0.08%	0.08%	0.08%	0.08%	0.08%	
INTEREST PROVISION	\$271	\$142	\$81	(\$75)	(\$205)	(\$302)	(\$395)	(\$452)	(\$510)	(\$567)	(\$624)	(\$682)	(\$3,318)

**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND SUMMARY**

**SCHEDULE C-5
PAGE 1 OF 16**

PROGRAM:

1. Full House Residential New Construction Program
2. Residential Appliance Replacement Program
3. Residential Appliance Retention Program
4. Residential Service Reactivation Program
5. Residential Conservation Service Program
6. Commercial Conservation Service Program
7. Conservation Education Program
8. Space Conditioning Program
9. Conservation Demonstration & Development
10. Commercial Small Food Service Program
11. Commercial Non-Food Service Program
12. Commercial Large Food Service Program
13. Commercial Hospitality and Lodging Program
14. Commercial Cleaning Service and Laundromat Program
15. Residential Propane Distribution Program

**EXHIBIT NO. _____
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PROGRAM TITLE:

Full House Residential New Construction Program

PROGRAM DESCRIPTION:

This program is designed to increase the overall energy efficiency in the residential single- and multi-family new construction market by promoting energy-efficient natural gas appliances. The program offers builders and developers incentives in the form of cash allowances to defray the additional costs associated with the installation of natural gas supply lines, house piping, venting and natural gas appliances.

PROGRAM ALLOWANCES:

Furnace or Hydro heater	\$500
Tank Water Heater	\$350
High Eff. Tank Water Heater	\$400
Range	\$150
Dryer	\$100
Tankless	\$550

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2018, the Company estimates that 3050 new single- and multi-family home appliances will be connected to its natural gas system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2018, the Company estimates expenses of \$853,600

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PROGRAM TITLE:

Residential Appliance Replacement Program

PROGRAM DESCRIPTION:

This program is designed to encourage the replacement of inefficient non-natural gas residential appliances with energy-efficient natural gas appliances. The program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the installation of efficient natural gas appliances.

PROGRAM ALLOWANCES:

Furnace or Hydro heater	\$725
Tank Water Heater	\$500
High Eff. Tank Water Heater	\$550
Range	\$200
Dryer	\$150
Tankless	\$675

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2018, the Company estimates that 700 natural gas appliances will be connected (limited to furnaces or hydro heaters, water heaters, ranges and dryers) to its natural gas system.

PROGRAM EXPENDITURES:

During the twelve-month period of January to December 2018, the Company estimates expenses of \$592,200.

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PROGRAM TITLE:

Residential Appliance Retention Program

PROGRAM DESCRIPTION:

This program is designed to promote the retention of energy-efficient appliances for current natural gas customers. The program offers allowances to customers to assist in defraying the cost of purchasing and installing more expensive energy-efficient appliances.

PROGRAM ALLOWANCES:

Furnace or Hydro heater	\$500
Tank Water Heater	\$350
High Eff. Tank Water Heater	\$400
Range	\$100
Dryer	\$100
Tankless	\$550

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2018, the Company estimates that 2300 appliances will be connected to its system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2018, the Company estimates expenses of \$994,500.

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PROGRAM TITLE:

Residential Service Reactivation Program

PROGRAM DESCRIPTION:

This program is designed to encourage the reactivation of existing residential service lines that are scheduled to be cut-off and capped. The program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the purchase and the installation of energy-efficient natural gas appliances.

PROGRAM ALLOWANCES:

Service Reactivation (the installation of a water heater is required) \$350

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2018, the Company estimates that 5 services will be reactivated with water heaters on its natural gas system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2018, the Company estimates expenses of \$55,400

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PROGRAM TITLE:

Residential Conservation Survey Program

PROGRAM DESCRIPTION:

This program is designed to assist residential customers in conserving all forms of energy consumption. Certified company representatives or private contractors will conduct energy surveys. This service will be provided based on customer requests and scheduling availability.

PROGRAM ALLOWANCES:

Not applicable.

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2018, the Company estimates that 40 residential customers will participate in this program.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2018, the Company estimates expenses of \$30,850.

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PROGRAM TITLE:

Commercial Conservation Survey Program

PROGRAM DESCRIPTION:

This program is designed to assist commercial customers in conserving all forms of energy consumption. Certified company representatives or private contractors will conduct energy surveys. This service will be provided based on customer requests and scheduling availability.

PROGRAM ALLOWANCES:

Not applicable.

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2018, the Company estimates that 5 commercial customers will participate in this program.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2018, the Company estimates expenses of \$4,600.

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PROGRAM TITLE:

Conservation Education Program

PROGRAM DESCRIPTION:

The purpose of this program is to teach adult and young people about conservation measures designed to reduce energy consumption and consequently reduce their utility bills.

PROGRAM ALLOWANCES:

Not applicable.

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2018, the Company estimates that 40 adult and youth presentations with 3000 participants will result from this program.

PROGRAM FISCAL EXPENDITURES:

During this twelve-month period of January to December 2018, the Company estimates expenses of \$120,000.

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PROGRAM TITLE:

Space Conditioning Program

PROGRAM DESCRIPTION:

This program is designed to convert on-main customers from electric space conditioning equipment to energy-efficient natural gas space conditioning equipment. The program provides an allowance to qualifying participants to compensate for higher initial costs of natural gas space conditioning equipment and the associated installation costs. This program also reduces summer as well as winter peak demand and contributes to the conservation of kwh/kwd consumption.

PROGRAM ALLOWANCES:

Residential	\$1200 (For Robur model or equivalent unit)
Non-Residential	\$ 50 per ton

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2018, the Company estimates that 1 customer projects will utilize this program.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2018, the Company estimates expenses of \$6,050.

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PROGRAM TITLE:

Conservation Demonstration and Development Program

PROGRAM DESCRIPTION:

The primary purpose of the Conservation Demonstration and Development (CDD) program is to pursue research, development, and demonstration projects that are designed to promote energy efficiency and conservation. The CDD program is meant to be an umbrella program for the identification, development, demonstration, and evaluation of promising new end-use technologies. The CDD program does not focus on any specific end-use technology but, instead, will address a wide variety of energy applications. This program is slated to end on December 31st, 2017.

PROGRAM ALLOWANCES:

Not applicable.

PROGRAM PROJECTIONS:

This program is slated to end on December 31st, 2018 thus there are no program projections for 2018.

PROGRAM FISCAL EXPENDITURES:

This program is slated to end on December 31st, 2018 thus there are no program projections for 2018.

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PROGRAM TITLE:

Commercial Small Food Service Program

PROGRAM DESCRIPTION:

This program is designed to encourage owners and operators of small food service restaurants to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial food service customers are defined as establishments primarily engaged in the retail sale of prepared food and drinks for on-premise or immediate consumption with an annual consumption of less than 9,000 therms. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

PROGRAM ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water Heater	\$1,000	\$1,500	\$1,000
Tankless Water Heater	\$2,000	\$2,500	\$2,000
Fryer	\$3,000	\$3,000	\$3,000
Range	\$1,000	\$1,500	\$1,000

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2018 the Company estimates that 275 appliances will be connected to its natural gas system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2018, the Company estimates expenses of \$565,300.

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PROGRAM TITLE:

Commercial Non-Food Service Program

PROGRAM DESCRIPTION:

This program is designed to encourage owners and operators of commercial buildings to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial non-food service customers are defined as establishments that are not associated with the Food Service, Hospitality, or Cleaning industries and whose annual consumption is greater than 4,000 therms. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

PROGRAM ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water Heater	\$1,500	\$2,000	\$1,500
Tankless Water Heater	\$2,000	\$2,500	\$2,000

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2018, the Company estimates that 40 appliances will be connected to its natural gas system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2018, the Company estimates expenses of \$156,700.

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PROGRAM TITLE:

Commercial Large Food Service Program

PROGRAM DESCRIPTION:

This program is designed to encourage owners and operators of large food service restaurants to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial large food service customers are defined as establishments primarily engaged in the retail sale of prepared food and drinks for on-premise or immediate consumption with an annual consumption of greater than 9,000 therms. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

PROGRAM ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water Heater	\$1,500	\$2,000	\$1,500
Tankless Water Heater	\$2,000	\$2,500	\$2,000
Fryer	\$3,000	\$3,000	\$3,000
Range	\$1,500	\$1,500	\$1,500

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2018, the Company estimates that 40 appliances will be connected to its natural gas system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2018, the Company estimates expenses of \$134,850.

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PROGRAM TITLE:

Commercial Hospitality and Lodging Program

PROGRAM DESCRIPTION:

This program is designed to encourage owners and operators of hospitality & lodging facilities to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial hospitality and lodging customers are defined as establishments known to the public as hotels, motor hotels, motels or tourist courts, primarily engaged in providing lodging, or lodging and meals, for the general public. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

PROGRAM ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water Heater	\$1,500	\$2,000	\$1,500
Tankless Water Heater	\$2,000	\$2,500	\$2,000
Fryer	\$3,000	\$3,000	\$3,000
Range	\$1,500	\$1,500	\$1,500
Dryer	\$1,500	\$1,500	\$1,500

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2018, the Company estimates that 120 appliances will be connected to its natural gas system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2018, the Company estimates expenses of \$349,150.

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PROGRAM TITLE:

Commercial Cleaning Service and Laundromat Program

PROGRAM DESCRIPTION:

This program is designed to encourage owners and operators of cleaning service & Laundromat facilities to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial cleaning service and laundromat customers are defined as establishments primarily engaged in operating mechanical laundries with steam or other power or in supplying laundered work clothing on a contract or fee basis. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

PROGRAM ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water Heater	\$1,500	\$2,000	\$1,500
Tankless Water Heater	\$2,000	\$2,500	\$2,000
Dryer	\$1,500	\$1,500	\$1,500

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2018, the Company estimates that 60 appliance will be connected to its natural gas system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2018, the Company estimates expenses of \$154,850.

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PROGRAM TITLE:

Residential Propane Distribution Program

PROGRAM DESCRIPTION:

The program is designed to promote the use of "gas" within developments that are built beyond the economic extension of the Company's existing natural gas infrastructure. The concept of installing an underground propane system, which includes distribution mains, service laterals and meter sets that are capable of supplying either propane or natural gas, is a viable method of encouraging installation of "gas" appliances in the residential subdivision at the time of construction. This program is designed to provide incentives when natural gas becomes available to the development and the propane appliances are replaced with natural gas appliances.

PROGRAM ALLOWANCES:

Furnace or Hydro heater	\$275
Water Heater	\$275
Range	\$75
Dryer	\$75

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2018, the Company estimates that no appliances will be connected to its natural gas system using this program.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2018, the Company estimates expenses of \$0.

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